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March 16, 1981

Mr. R. E. Marsh, Properties Manager
Ideal Basic Industries
P. O. Box 1949
Fort Collins, Colorado 80251

RE: Tentative Approval
Poverty Point Limestone
Quarry
ACT/045/012
Tooele County, Utah

Dear Mr. Marsh:

The Board of Oil, Gas and Mining, at its February 27, 1981, Executive Session, concurred with the Division's decision to grant tentative approval to the above referenced mining operation.

As I mentioned during our meeting on March 11th, there is some concern regarding the surety arrangement as proposed by Ideal Basic Industries, relative to including an inflation factor. The Division has been using a 13 percent annual inflation rate for the life of the operation as policy. If Ideal will commit to revising the bond amount on an annual basis, with submission of the Annual Operations and Progress Report (MR-Form 3), and include any new surface acreage disturbance along with the 13 percent annual inflation rate, the reclamation surety requirements should satisfactorily be met.

If the Division receives no adverse comments during the required 30-day publication period, which is now underway, then the Division may issue final approval and mining may lawfully commence at that time.

Should you have any questions, please don't hesitate to call.

Sincerely,

JAMES W. SMITH, JR.
COORDINATOR OF MINED
LAND DEVELOPMENT

JWS/btm